



FISCAL YEAR 2020 PROPOSED BUDGET

City Manager's Overview

July 31, 2019



Much to Celebrate

- Civic Center and Port Building completed
- World-class Main Library opening in September
- Named 18th best Park system in the country
- A new 3 ½ acre park opening downtown
- Billions of dollars worth of construction underway
- Chronic homelessness decreased in 2019
- Designated one of the most walkable cities in U.S.
- A Top 10 Digital City
- One of the nation's best cities for LGBTQ inclusion
- 2028 Summer Olympics & Paralympics Games

Many Innovative Initiatives Underway

- LB COAST project continues to modernize City's HR, finance and budget systems – biggest technological efforts in the City
- Community Health efforts include launching the **Long Beach HIV/STD strategy**
- **Using data to drive investment** through Pavement Management Plan, Alley Management Plan, Sidewalk Management Plan, Facility Condition Assessment
- Mobility efficiencies include **pay-by-phone parking, e-Scooter Program, bike boulevards**
- Sustainability efforts with **Climate Action Plan, Solar installations, implementing electric vehicle charging stations**
- Improving community services **through Park Strategic Plan**
- Many others in the budget book *Innovation & Efficiencies* section



Long Beach is a Full-Service City

- Long Beach's provides a wide array of services with 23 departments



Patrol Services - 9-1-1 Emergency Response - Fire Prevention and
Emergency Response - Multi-Service Center
Rental Assistance and Affordable Housing - 170 parks - 12 Libraries
Lifeguard and Marine Safety - Pothole Repair
Street Sweeping - Graffiti Removal - Summer and Youth
Programming - Senior Programming - Clinical Health Services
Business Licensing - Storm Water Management - Refuse and
Recycling Collection - Illegal Dumping Pick-Up - Tree Maintenance
Traffic Signs and Signals - Criminal Investigations - Jail Operations
Small Business Loans - Business Development Districts - Clean
Drinking Water - Natural Gas Utility - World-class Airport - Port of
Long Beach - Fleet and Towing Services - LBTV - Career and Job
Training – Immunization - Food Safety Inspections - Hazardous
Materials Inspections - Public Computer Access

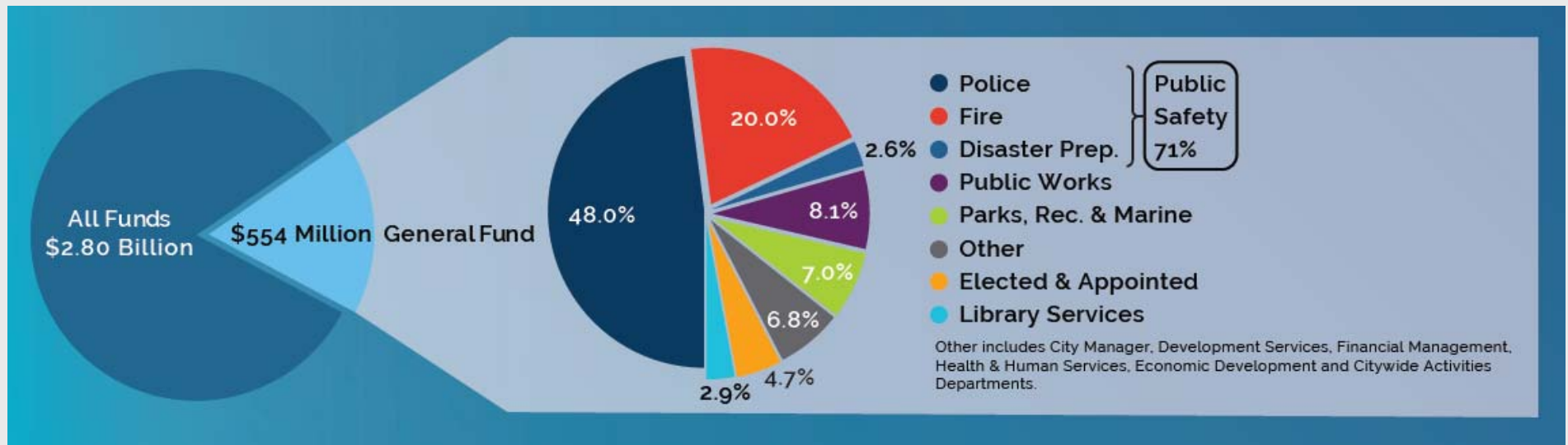
Funding a Full-Service City - \$2.8 Billion Operation

- The City is a large complex organization with 23 departments and 38 financial funds that represent the diverse city operations and their distinct funding sources.
- A majority of the City's funds are restricted by law for the purpose of the particular operation



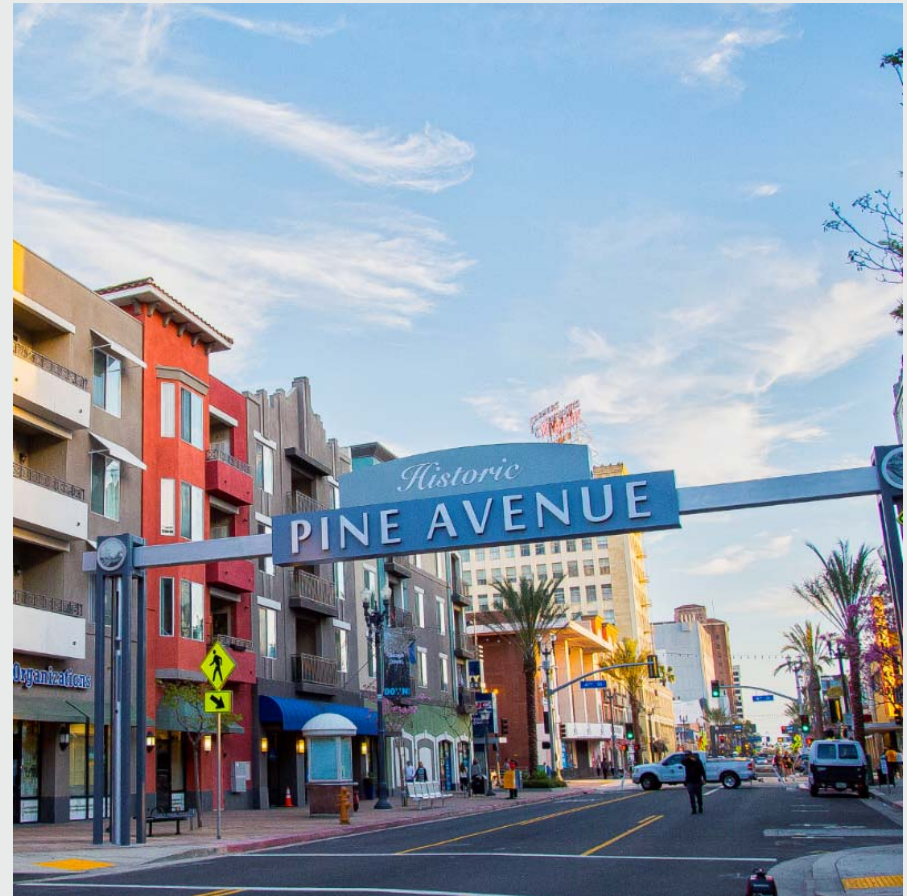
Funding General City Services

- Only General Fund is completely discretionary and is 20 percent of budget at \$554 million (\$521 million in recurring costs and \$33 million of one-time costs)
- The General Fund is primarily supported by general tax revenues



The City's Budget Process

- The **City Manager** determines **budget format** and process for all departments and operations and recommends the **overall financial and programmatic direction**
- The **City Manager** recommends the **specific budgets** for the City Manager departments
- **Electeds** present their own department's recommended budgets in conformance with the City Manager's guidelines
- The **Harbor and Water departments** are governed by **Commissions**. The City Council considers and adopts those departments' budgets as submitted by the Commissions



Addressing Homelessness is Front and Center

- Permanently housed over 5,000 people since 2013
- Received \$27 million from grants, including \$5 million - County Measure H and \$12.3 million - HEAP
- Continuing Everyone Home Long Beach Taskforce report goals, including new 125 bed shelter in North Long Beach
- \$255,000 of General Fund one-time funds toward activities such as rapid response, cleanup, and outreach efforts
- \$25,000 in the General Fund for the ongoing utility costs at the Housing Navigation Center
- Continued work on initiatives such as implementation of SAFE parking program and Jobs program



Affordable Housing is a City Commitment

- The FY 20 Budget continues to reflect City's commitment to affordable housing
- Preservation or construction of a potential total 650 affordable housing units serving low-income households, including homeless households
- Continued work on important housing policy items, including inclusionary Housing policy



Public Safety is a Top Priority



- Public Safety positions maintained by Measure A increased to 121 positions
- 9 positions in the General Fund for Body Worn Camera Program and to provide support needed to meet State mandates (SB 1421)
- 2 positions in the General Fund for the Justice Lab
- \$100,000 of Measure A one-time funds for a jail mental health clinician
- \$2.2 million of Measure A one-time funds for the Police Department's Neighborhood Safe Streets Initiative
- \$800,000 of General Fund and \$1.4 million of Measure A one-time funds to support the cost of Police Academies

Public Safety Continuum & Addressing Social Needs

- FY 20 budget provides services such as parks, recreation, marinas, library services, health services, code enforcement and others to help promote safe and healthy community
- Supports efforts to address social needs
- A full-time Language Access Program position and \$80,000 of one-time funds in General Fund
- An adoption coordinator and administrative support positions in General Fund to manage Animal Care Services adoption and volunteer programming
- \$100,000 of General Fund one-time funds for donation support for Animal Care Services



Economic Development Protects the City's Future



- Continued work on 10-year Economic Blueprint:
 - Citywide Market for Hourly Labor Program
 - Researching the creation of Opportunity Zones
 - Expanding the Small Business Loan Program
- 2 positions added in General Fund to administer the Short-Term Rental Program
- \$128,000 in the Development Services for project planning technology improvements including a web-based fee calculator and a forms submittal portal
- \$136,000 of Development Services one-time funds for State building codes training for better Permit Center assistance

Efficiencies & Stable Administrative Services Make the City Strong



- \$600,000 of General Fund one-time funds to support an accurate 2020 census count and redrawing district boundaries
- Budget supports technology, personnel, financial core capacity, and implements internal efficiencies
- 2 positions in Civil Service to strengthen City's hiring process
- 7 net positions added to support ongoing structure for new ERP system, partially offset by staffing consolidations

Arts, Culture, and Communications are Keys to a Vibrant Community

- Budget supports arts, culture, tourism and communications for a vibrant Long Beach
- One-time Special Advertising & Promotions funds for the following investments:
 - \$200,000 for planning support for co-hosting the Summer Olympic Games
 - \$50,000 for POW! WOW! for art murals
 - \$250,000 for wayfinding signage and historical plaques throughout the City
 - \$50,000 for matching funds support for Arts Council for Long Beach



Funding for Infrastructure Keeps the City's Foundation Firm

- City proposes robust Capital Improvement Program to invest into City's aging and deteriorating infrastructure
- \$117 million Capital Improvement Program, including \$19.5 million from Measure A funds, investing in:
 - Mobility - \$54.8 million
 - Public Facilities - \$11.2 million
 - Parks and Recreation - \$2.0 million
 - Beaches and Waterways - \$2.0 million
 - Utilities - \$43.8 million
 - Airport - \$4.0 million



Investing in Critical Needs and Livability Strengthens the City

- City continues to invest in critical needs, safeguard City's assets, promote overall livability
- \$1 million of General Fund one-time funds to support the seismic retrofit of the Community Hospital
- Two positions added to implement multi-modal transport initiatives such as the emerging Micro-Mobility Program
- \$1 million of one-time AB 32 Cap and Trade funds to assist low-income households with energy efficiency improvements to single family homes and to support the Electric Vehicle Program to reduce greenhouse gas emissions.



Budget Balanced Using Council Reviewed Guidelines

- Parking fine increase to help with revenue
- Minimize one-times due to lack of available resources
- Minimize enhancements to avoid offsetting service reductions
- No structural funding for possible labor costs

Budget Challenges Coming

- Expenses growing faster than revenues (as with many cities)
- Projected significant shortfalls over at least the next two years
- Likely to require service reductions or changes in service delivery
- Many unfunded/underfunded needs remain

Approaches to Challenges

- Continue encouraging appropriate development opportunities
- Prioritize in FY 20 identifying approaches to address future projected shortfalls
- Maintain good financial and operational practices and management
- Use a zero-sum budget: any new or expanded service has at least an offsetting reduction in a lower priority service

A Great City with Many Strengths and Opportunities



- An excellent economy with much development and redevelopment
- A vibrant full-service city
- History of strong financial management and financial policies
- Positive reviews from independent reviews by bond rating agencies
- Structurally balanced budgets and good reserves

FY 20 Budget Timeline

Through today:

- **December 18** – FY 20 Budget Preliminary Status & City Manager's Budget Approach
- **April 4** – FY 20 Projection Update & Status of the Development of the Proposed FY 20 Budget Memo to City Council
- **July 3** – Submittal of Proposed Budget to Mayor
- **July 31** – Mayor Submits Proposed Budget and Mayor Recommendations to City Council

Upcoming (Schedule Online):

- **August** - Community Budget Meetings
- **August/September** – BOC Meetings
- **August 13** – Budget Hearing
- **August 20** – Budget Hearing
- **September 3**– Budget Hearing and 1st Adoption Date
- **September 10** – Budget Hearing and 2nd Adoption Date

Opportunities for Community Engagement

- Attend:
 - Budget Hearings
 - Community Budget Meetings
 - Budget Oversight Committee Meetings
- Participate in the Budget Survey on funding priorities
- Use openLB to explore the Proposed Budget visually

Please check one box for each service.

	Very Important	Somewhat Important	Not Very Important	Not at All Important	No Opinion
Providing free or low-cost recreation programs for youth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining and repairing public buildings (community and senior centers, fire stations, libraries, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing special events and programs for families	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining a low crime rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preparing the community for emergencies or disasters	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing programs for seniors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing neighborhood police patrols	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



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